

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 27, 1995

SUBJECT: **SB 633 - HB 1263**

This bill, if enacted, will provide that interest rates on a judgment will be computed as simple interest per annum, based on two percent (2%) above the average bank prime loan rate for the most recent past year ending December 30. The interest rate will be communicated to the various court clerks by the Director of the Administrative Office of the Courts.

The fiscal impact from enactment of this bill is estimated to be an increase in state expenditures for the Administrative Office of the Courts; however, the amount of increase is estimated to be not significant.

Enactment of this bill is also estimated to result in an increase in state expenditures of \$345,000 for the Department of Human Services for computer programming changes and calculation of interest rates on child support payments. Funding for the \$345,000 in expenditures would be \$117,300 state funding and \$227,700 federal funding.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director